

## **Scratch Gravel Solid Waste Management District**

Meeting Minutes

Board of Directors

April 19, 2018 3:00 p.m.

City County Building, Room 309

316 North Park, Helena, Montana

### **Members Present**

Jim McCormick

Loran Frazier

David Knoepke

Melanie Reynolds

Jacob Larson

### **Staff Present**

Audra Zacherl

Eric Griffin

Jacki Pierson

Pete Anderson

Charles Lane

### **Guests**

Kathy Moore

Chris Asplund

### **Call to Order**

Melanie Reynolds called the meeting to order at 3:00 p.m.

### **Election of New Chairman**

Melanie Reynolds (Board Member) nominated Loran Frazier (Board Member), seconded by David Knoepke (Board Member) as the Chair of the Scratch Gravel Board as he has been on the board quite some time. Jim McCormick (Lewis and Clark County, Commissioner) asked Mr. Frazier how long he has been on the Board. Mr. Frazier answered at least 3 years. There were no other nominations, and no discussion. Loran Frazier was unanimously voted the new Chairman of the Scratch Gravel Board and stated he is happy to serve, and took over the meeting.

### **Approval of Minutes**

The minutes from October 26, 2017 were approved unanimously, Mr. McCormick moved to approve the minutes which were seconded by Mr. Knoepke.

### **Comments From the Public:**

There were no comments from the public.

### **Action Items:**

Fiscal Year 2019 Proposed Budget for Landfill, Scratch Gravel, and Marysville- Audra Zacherl (Lewis and Clark County, Assistant Public Works Director) highlighted the budgets and previous year changes which were included in the packets. In May the

Landfill is paying off Phase 3 Loan which is due in 2021 early to avoid carrying too much into reserve. Our revenues in all 3 solid waste budgets are generated through fees the users pay; there is no property tax revenue in any of our solid waste budgets. Proposed FY2019 Landfill tipping remains the same at \$28.00/ton. L&C County submitted a RFP to Broadwater County to accept their waste and if approved the tipping rate will be reduced to \$26.00/ton. That \$2.00 reduction will be over a 5 year period and will save rate payers \$370,000-if approved by Broadwater County. Ms. Zacherl stated she believes Broadwater County is voting on it next Wednesday at 10:00 a.m. This is a volume based business so the more business we can bring in, the lower the cost per ton. There is no change in the Class 4 tipping Fee of \$23.00. All 3 budgets include a 2.1% matrix adjust which include step increases. A Skid Steer gravel bucket has been budgeted at \$3,900 and a tarps reserve of \$4000. Mr. McCormick asked what the reserve for Tier II gas monitoring is for. Pete Anderson (L&C County Landfill Manager) responded that it is for the consulting firm to be in compliance with the State of Montana. Capital contribution will remain at 250,000/year. Trash Vacuum is a new item for \$82,400 and Mr. Anderson explained it is on a Bobcat 5600 and UTV which will allow a 1 man operation for litter pickup, making litter pick up more efficient. Commissioner McCormick asked when we would get one; Ms. Zacherl explained we will need to go out to bid for this item.

Scratch Gravel Budget is assuming 13,807 assessments and there is a big decrease for the assessment currently at \$96 and recommending decrease to no lower than \$82. We could also set it at \$84 and put the excess in the CIP under the Alternative Solid Waste Management that has never been utilized. Ms. Reynolds asked for clarification on the ASWM. Eric Griffin (Lewis & Clark County, Public Works Director) explained it could possibly be something similar to Marysville out in the North Valley or at the Landfill, an alternative location as an example. There are other options to consider as there has never been the opportunity to explore these options in the past. Ms. Reynolds is hesitant to go to the lowest (\$82) as it is harder to raise costs then lower, she would rather be conservative and have a little bit of cushion. Ms. Zacherl explained when she looks at everything she makes sure the rate will be sustainable for 5 years. At this point we are carrying a lot of cash. Mr. Knoepke would like to give the rate payers a break and lower it to the lowest assessment and stated if we had a plan for the extra cash \$85 would be good but we don't. Ms. Zacherl stated we should put a committee together to come up with options for the cash carryover. Jacob Larson felt similar to Mr. Knoepke and likes the alternative options to decrease traffic at the transfer station. Ms. Zacherl stated she believes we can do both, we just have to have a plan and a study would be a good idea to generate ideas that would be best for our County. Mr. Knoepke asked if additional districts would need to be created such as Marysville. Ms. Zacherl stated this is very preliminary and as this time it is uncertain. Mr. Knoepke was hesitant to keep the money in reserve as he hears people are not happy with the tax situation right now. Mr. Griffin stated additional sites like Marysville are just one example and there are additional ideas that need to be explored which are why a committee is a good idea to evaluate the possibilities. Ms. Zacherl continued the budget review highlighting personal/operations/capital, there were not questions.

Marysville attendant Bob Ewing (long time employee) retired as of April 10<sup>th</sup> and that will be a hard position to fill. At this point we have a 1 year employee who will step in while we explore options for this position. The office and restroom will be improved this Fiscal Year at Marysville to improve conditions for our employees. There are no changes to

the assessment which is \$79/year. No Capital contributions or purchases to be made.

There are no questions on the proposed Marysville budget.

Mr. Griffin stated there may be a hypothetical rate decrease for Marysville depending on what alternative waste options are came up with and reviewed in the future. Ms.

Reynolds feels we can lower the rates and save for ASWM. Ms. Zacherl pointed out the assessment allows resident 3,000 pounds which is equal to \$88. Mr. Anderson stated the permit value is \$88 and he is against lowering the assessment lower than the permit value. Mr. Griffin in response to Mr. Knoepke concerns could lower the assessment further if no ASWM decisions are made. Mr. Frazier stated there are many options for the assessment rate this year and Mr. McCormick theoretically stated if there is a tonnage adjustment later on it would impact the rate and it may be easier to couple them. Mr. Knoepke asked to make a motion to pass the budget and make it fair across the board with an adjustment to the assessment at \$88, Ms. Reynolds seconded this motion. Ms. Reynolds asked for thoughts from Mr. Griffin & Ms. Zacherl. Ms. Zacherl stated there will always be a savings as not every resident uses their 3000 pounds from the permit. When she calculated it at \$85 over the 5 year period we would bring in approximately \$1 million dollars, setting the assessment at \$88 will generate way more than \$1 million dollars which is fine however we do not have a plan for that right now and just wants the board to be aware of that. Ms. Reynolds mentioned the \$84/\$85 assessment but is willing to vote on the \$88 assessment. Mr. Knoepke stated that in part of the discussion he would like to see some improvements at the Marysville site and would like to amend his original motion to include: after this budget is passed the County go out to RFQ to bring on a consultant so the extra money does not just waiver there, adding an additional \$40,000 for a Solid Waste Study. Mr. Anderson would like to see the system grow with the population and agreed with the Solid Waste Study. The motion brought forth by Mr. Knoepke is to approve the budgets and the assessment at \$88 with amendment #1 adding a study with funding up to \$40,000 to look at Solid Waste Options. Ms. Reynolds seconded the motion with amendment. Motion passed unanimously.

Rate Resolution – Ms. Zacherl would like to amend the verbiage and set a minimum fee for Class II, as well as setting a minimum fee of \$5.00 for C&D to encourage more efficient loads. Ms. Reynolds asked who determines the adjustment rate. Ms. Zacherl explained herself, Mr. Griffin, and Mr. Anderson review it after she has plugged it into her cash flow and compares it with tipping fees. Ms. Reynolds would like to change current weight resolution to read “MSW Class II and C&D Class IV rates may be adjusted based on operational assessment to include waste volume, contract terms and fiscal impacts” in terms of the minimum fee she supports the \$5.00 minimum. Mr. McCormick seconded this motion. The motion is passed unanimously.

### **Staff Reports:**

Landfill Manager Report- Mr. Anderson reviewed the report given in the packet and asked for any questions anyone may have. Ms. Reynolds was interested in the Storm Water Prevention Plan and would like to see if Mr. Anderson can make this available for others via hard copy, or online. Mr. Anderson stated they can work on this although it is a very large document.

Mr. Griffin wanted to recognize Bob Ewing and his retirement; he worked for 17 years and 2 month for Lewis & Clark County. He also wanted to thank Melanie Reynolds for her time and wish her the best in her retirement. Ms. Reynolds stated the Board of Health is in the process of hiring for her position and thanked Mr. Griffin.

Mr. Anderson wanted to bring to the boards attention that next Wednesday there will be a litter pick up between 5pm-6pm on Lake Helena Drive. So far there are about 20 volunteers, and everyone is welcome to sign up.

Efficiency Study Update- Mr. Anderson presented the study and stated there have been some changes. City of Helena and Lewis and Clark County have an inter-local agreement through 2023. Landfill mechanic helps City of Helena and works on equipment repairs when necessary. The compactor hours have been reduced and marked completed as there is a plan in place for more efficiency. The new compactor, which was budgeted for, voted on, and approved, should be in Helena in the next 2-3 weeks. Ms. Reynolds stated it was great to see the progress moving forward.

### **Discussion:**

Mr. McCormick highlighted the Board Leadership training being offered on May 17<sup>th</sup> and encouraged all to attend.

The next scheduled board meeting will be Thursday August 16, 2018 at the Lewis & Clark County Landfill.

### **Adjournment:**

A motion was given to adjourn by Chairman Frazier and was seconded by Ms. Reynolds. The motion passed.

The meeting adjourned at 4:20 p.m.